\$620 from Caldwell Corporation which withheld and paid tax of \$93 to Canada on her dividend. Abby does not itemize deductions, so she will claim the standard deduction of \$4,850 from line 39 of her Form 1040. She has no other deductions. Complete the Categories of Income section and Part I of her Form 1116.

Corporation's mutual fund that invests in Canadian corporations. She received a dividend of

Abby Winthrop is single, under 65, and is a U.S. citizen. She earned \$21,000 as a night

auditor in Pittsburgh. This is her only income. She owns 200 shares in Caldwell

complete lines 1, 3, 6 and 7 of Part I.

Without closing the PDF window, return to the lesson screen and click Check My Answer.

Click the box that reflects the correct type of income in the top portion of the form. Then,

## **Foreign Tax Credit**

(Individual, Estate, or Trust)

▶ Attach to Form 1040, 1040NR, 1041, or 990-T.

Attachment

OMB No. 1545-0121

Department of the Treasury

► See separate instructions.

Name Identifying number as shown on page 1 of your tax return Use a separate Form 1116 for each category of income listed below. See Categories of Income on page 3 of the instructions. Check only one box on each Form 1116. Report all amounts in U.S. dollars except where specified in Part II below. d Shipping income **q** ☐ Lump-sum distributions a Passive income e Dividends from a DISC or former DISC **b** High withholding tax h Section 901(i) income interest f Certain distributions from a foreign i Certain income re-sourced by treaty sales corporation (FSC) or former c Financial services income i General limitation income k Resident of (name of country) Note: If you paid taxes to only one foreign country or U.S. possession, use column A in Part I and line A in Part II. If you paid taxes to more than one foreign country or U.S. possession, use a separate column and line for each country or possession. Taxable Income or Loss From Sources Outside the United States (for Category Checked Above) Foreign Country or U.S. Possession Total В С (Add cols. A, B, and C.) Α Enter the name of the foreign country or U.S. **→**... Gross income from sources within country shown above and of the type checked above (see page 13 of the instructions): 1 Deductions and losses (Caution: See pages 13 and 14 of the instructions): Expenses definitely related to the income on line 1 (attach statement). 3 Pro rata share of other deductions not definitely related: a Certain itemized deductions or standard deduction (see instructions) . . . . . . **b** Other deductions (attach statement) . c Add lines 3a and 3b . . . . . . . . . d Gross foreign source income (see instructions). e Gross income from all sources (see instructions) f Divide line 3d by line 3e (see instructions) . . g Multiply line 3c by line 3f. . . . . . . Pro rata share of interest expense (see instructions): a Home mortgage interest (use worksheet on page 13 of the instructions) . . . . . . . **b** Other interest expense . . . Losses from foreign sources Add lines 2, 3g, 4a, 4b, and 5. 6 Subtract line 6 from line 1. Enter the result here and on line 14, page 2 7 Part II Foreign Taxes Paid or Accrued (see page 14 of the instructions) Credit is claimed Foreign taxes paid or accrued for taxes (you must check one) In U.S. dollars Country In foreign currency (m) Paid (x) Total foreign (s) Other (w) Other Taxes withheld at source on: Taxes withheld at source on: (n) Accrued foreign taxes foreign taxes taxes paid or (o) Date paid paid or paid or accrued (add cols. (q) Rents (u) Rents (p) Dividends (r) Interest (t) Dividends (v) Interest accrued accrued (t) through (w)) or accrued and royalties and royalties Α В C 8 Add lines A through C, column (x). Enter the total here and on line 9, page 2.